AMENDED IN ASSEMBLY JUNE 9, 2004

AMENDED IN SENATE JANUARY 20, 2004

AMENDED IN SENATE MAY 28, 2003

AMENDED IN SENATE MAY 13, 2003

AMENDED IN SENATE MAY 1, 2003

AMENDED IN SENATE APRIL 9, 2003

SENATE BILL

No. 537

Introduced by Senator Romero

(Principal coauthor: Assembly Member Chavez)

February 20, 2003

An act relating to solid waste. An act to add Sections 4746.6, 4746.7, and 4746.9 to the Health and Safety Code, relating to air quality.

LEGISLATIVE COUNSEL'S DIGEST

SB 537, as amended, Romero. Solid waste: management: Los Angeles County sanitation districts.

(1) Existing

Existing law, the California Integrated Waste Management Act of 1989, administered by the California Integrated Waste Management Board, establishes an integrated waste management program, including the regulation of solid waste disposal.

The County Sanitation District Act authorizes a county sanitation district to acquire, construct, and complete certain works, property, or structures necessary or convenient for sewage collection, treatment, transfer, and disposal.

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This bill would require the Sanitation Districts of the County of Los Angeles, by July 1, 2004, to report to the Legislature on specified information relating to the design of a solid waste system planned to be developed in the jurisdiction of the districts. The bill would impose a state-mandated local program by imposing a new duty on a local agency.

(2) This

This bill would prohibit the siting of a new materials recovery facility, as defined, designed to receive greater than 4,000 tons per day within Los Angeles County prior to 2015. The bill would require the board of directors of each sanitation district in Los Angeles County to adopt a final annual budget with prescribed categories before _____ each year, would authorize the establishment of one or more restricted accounts, and would require the board to deposit at least \$15,000,000 annually into the district's Air Pollution Mitigation Fund established by this bill, for expenditure on prescribed projects upon agreement by the South Coast Air Quality Control Board. The requirements for districts established by this bill would impose a state-mandated local program.

This bill would make legislative findings and declarations regarding the need for special legislation inapplicability of a general statute within the meaning of Section 16 of Article IV of the California Constitution.

(3) The

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) For purposes of this section, the following 2 definitions shall apply:
- 3 (1) "District" means the Sanitation Districts of the County of 4 Los Angeles.
- 5 (2) "Materials-recycling recovery facility" or "MRF" means 6 a solid waste facility, as defined in Section 40194 of the Public

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Resources Code, that recycles solid waste, as defined in Section 40180 of the Public Resources Code.

- (b) On or before July 1, 2004, the district shall report to the
- (b) The Legislature finds and declares all of the following:
- (1) The body of scientific evidence demonstrating health effects related to particulate matter exposure has grown tremendously over the past 10 years, and presents a compelling public health case for reducing emissions and exposures.
- (2) Particulate matter is linked in scientific literature to a range of serious health impacts, including, but not limited to, premature mortality, acute and chronic bronchitis, asthma attacks, hospital and emergency room visits, upper respiratory illnesses, heart attacks, strokes, school absences, and lost work days.
- (3) Exposure to particulate pollution is particularly dangerous for sensitive groups, including, but not limited to, the elderly, individuals with asthma and other lung illnesses, infants, and children.
- (4) Recent scientific literature on particulate matter demonstrates serious health impacts in infants and children, including, but not limited to, mortality, reduced birth weight, premature birth, asthma exacerbation, and acute respiratory infections.
- (5) The State Air Resources Board recently reviewed the particulate matter air quality standard pursuant to Chapter 731 of the Statutes of 1999, which established the Children's Environmental Health Center and, based on that review, tightened the existing PM 10 annual standard and added a stringent new PM 2.5 annual standard. The South Coast Air Basin is out of compliance with these adopted standards.
- (6) The State Air Resources Board has adopted a statewide risk reduction plan for reducing diesel particulate matter emissions from solid waste collection vehicles. However, it is important to promote early implementation of this regulation and to control efforts above and beyond regulatory requirements in order to achieve greater public health benefits.
- (7) Diesel particulate matter, has been identified as a toxic air contaminant by the state board based upon the cancer risk posed by public exposure to this pollutant.
- 39 (8) Diesel engines, from trucks as well as locomotives, are a 40 major source of particulate pollution in the Los Angeles region.

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 (9) Diesel powered waste vehicles make _____ trips per day to the Puente Hills Landfill and spend significant time idling while waiting to tip their loads. This will continue until the permit expires in 2012.

- (10) Dust from the landfill is also a source of particulate air pollution.
- (11) The material recovery facility (MRF) permitted and under construction across from the landfill will add an additional _____ trips by diesel powered waste vehicles to the community when it becomes operational by January 1, 2005.
- (12) The Los Angeles County sanitation districts intend to utilize the rail line adjacent to the MRF as a major transshipment point for a waste to rail facility for transporting solid waste to desert landfills under construction in Imperial and Riverside Counties. This will increase rail traffic in the corridor by a significant, but as yet unknown, quantity.
- (13) Diesel locomotives, powering the waste by rail project are a major source of particulate pollution.
- (14) Taking immediate action to reduce particulate pollution is a critical measure to address the skyrocketing asthma rates experienced all over California, but especially in the Los Angeles region.
- SEC. 2. Section 4746.6 is added to the Health and Safety Code, to read:
- 4746.6. (a) No new materials recovery facility designed to receive greater than 4,000 tons per day of solid waste shall be sited within the County of Los Angeles, prior to 2015. For purposes of this section, a "material recovery facility" means a solid waste facility, as defined in Section 40194 of the Public Resources Code, that recycles solid waste, as defined in Section 40180 of the Public Resources Code.
- (b) On or before _____ of each year, the board of directors of each sanitation district within Los Angeles County shall adopt a final budget, which shall conform to the accounting and budgeting procedures for special districts contained in Subchapter 3 (commencing with Section 1031.1) of, and Article 1 (commencing with Section 1121) of Subchapter 4 of, Chapter 2 of Division 2 of Title 2 of the California Code of Regulations.
- (c) The board of directors may divide the annual budget into categories, including, but not limited to, any of the following:

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- 1 (1) Maintenance and operation.
- 2 (2) Employee compensation.
- 3 (3) Interest and redemption for indebtedness.
- 4 (4) Restricted reserves for all of the following categories:
- 5 (A) Landfill closure/post closure.
 - (B) Capital outlay.
- 7 (C) Gas to energy facilities.
- (D) Contingencies. 8
 - (E) Site development.
- (F) Litigation expenses. 10
- 11 (G) Equipment.

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- (H) State/local taxes and fees. 12
- (I) Energy development. 13
 - (5) Unallocated general reserve.
 - (d) The board of directors shall forward a copy of the final budget to the auditor of Los Angeles County.
 - (e) In its annual budget, the board of directors may establish one or more restricted reserves. When the board of directors establishes a restricted reserve, it shall declare the exclusive purposes for which the funds in the reserve may be spent. The funds in the restricted reserve shall be spent only for the exclusive purposes for which the board of directors established the restricted reserve. The reserves shall be maintained according to generally accepted principles.
 - (f) Any time after the establishment of a restricted reserve, the board of directors may transfer any funds to that restricted reserve.
 - (g) If the board of directors finds that the funds in a restricted reserve are no longer required for the purpose for which the restricted reserve was established, the board of directors may, by a four-fifths vote of the total membership of the board, discontinue the restricted reserve or transfer the funds that no longer require from the restricted reserve to the district's general fund.
 - SEC. 3. Section 4746.7 is added to the Health and Safety Code, to read:
- *4746.7*. (a) There is hereby established in the budget of each 36 sanitation district within the County of Los Angeles a restricted reserve fund called the Air Pollution Mitigation Fund.
- (b) This fund shall be administered by the board of directors of 38 each sanitation district within the County of Los Angeles pursuant to an agreement reached annually with the South Coast Air Quality

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Management District and the State Air Resources Board which shall agree in writing to expenditures made from the fund.

- (c) The purpose of the fund is to ensure reductions in particulate matter and nitrogen oxides emitted by public and private vehicles operating within the jurisdiction of the Los Angeles County sanitation districts which are involved in transporting solid waste, including trucks and locomotives.
- (d) The board of directors of each sanitation district in the County of Los Angeles shall transfer annually, from the district's general nonrestricted operating funds, a minimum of fifteen million dollars (\$15,000,000) to the district's Air Pollution Mitigation Fund established pursuant to subdivision (a) for expenditure pursuant to Section 4746.9.
- SEC. 4. Section 4746.9 is added to the Health and Safety Code, to read:
- 4746.9. (a) Any of the following projects are eligible for funding from funds within the Air Pollution Mitigation Fund established pursuant to Section 4746.7:
- (1) Projects that implement best available control technologies including retrofit, repower, or replacement of solid waste collection vehicles to achieve early compliance with the regulations adopted by the State Air Resources Board to reduce diesel particulate matter emissions from solid waste collection vehicles, if the technologies also achieve significant reductions in nitrogen oxide emissions.
- (2) Emission control measures and mitigation programs developed in cooperation with the railroads to reduce particulate emissions from locomotives and rail yards used by the sanitation districts for the County of Los Angeles.
- (3) Development and demonstration of practical, low-emission retrofit technologies, repower options, and advanced technologies, in cooperation with the State Air Resources Board and the South Coast Air Quality Management District for solid waste collection vehicles with very low emissions of particulate matter.
- (b) No new purchase, retrofit, repower, or add-on equipment shall be eligible for funding from funds within the Air Pollution Mitigation Fund if it is required by any local, state, or federal statute, other than this section, rule, regulation, memoranda of agreement or understanding, or other legally binding document,

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except that an otherwise qualified project may be funded even if the State Implementation Plan assumes that the change in equipment, vehicles, or operations will occur, if the change is completed at least one year prior to the date it is required by a statute, regulation, or other legally binding document in effect as of the date that the grant is awarded.

- (c) No project funded under this section shall be used for credit under any state or federal emissions averaging, banking, or trading program. No emission reduction generated through funding under this section shall be used as marketable emission reduction credits or to offset any emission reduction obligation of any entity. Projects involving new engines that would otherwise generate marketable credits under state or federal averaging, banking, and trading programs shall include transfer of credits to the engine end user and retirement of those credits toward reducing air emissions in order to qualify for funding under this section. A purchase of a low-emission vehicle or of equipment pursuant to a corporate or a controlling board's policy, but not otherwise required by law, shall generate surplus emissions reductions and may be funded under this section.
- (d) Eligible applicants may be any individual, company, or public agency that owns vehicles, including, but not limited to, trucks and locomotives, that are operating within the jurisdiction of the sanitation districts within Los Angeles County and, are involved in transporting solid waste.
- (e) It is the intent of the Legislature that all emission reductions generated by this section contribute to public health by reducing, for the life of the vehicle being funded, the total amount of particulate and nitrogen oxide emissions in the Los Angeles basin.
- (f) To be eligible for a grant under this section, 75 percent or more of vehicle miles traveled or hours of operation shall be projected to be within the geographic area served by the sanitation districts of the County of Los Angeles for at least five years following the grant award.
- SEC. 5. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances of the Los Angeles County sanitation districts. The facts constituting the special circumstances are that the spending priorities of the

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sanitation districts within Los Angeles County have not adequately mitigated the impacts on the public health and safety of air pollution created by vehicles transporting solid waste to facilities operated by the districts.

- SEC. 6. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 10 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.
- 14 Legislature on all of the following information relating to the design of the solid waste system that is planned to be developed in the jurisdiction of the district:
 - (1) The gross tonnage of solid waste generated within the district in 2002, or the most recent year for which that data may be available.
 - (2) The estimated gross tonnage of solid waste that will be generated in 2014 within the district.
 - (3) The gross tonnage of solid waste diverted in 2002, or the most recent year for which that data may be available, from landfill disposal or transformation through source reduction, recycling, and composting activities, as required by Part 2 (commencing with Section 40900) of Division 30 of the Public Resources Code.
 - (4) The gross tonnage of solid waste estimated to be diverted in 2014 from landfill disposal or transformation through source reduction, recycling, and composting activities, as required by Part 2 (commencing with Section 40900) of Division 30 of the Public Resources Code.
 - (5) The gross tonnage of solid waste estimated to be transferred in 2014 by rail to the solid waste landfill owned and operated by the district.
 - (6) The number of transfer facilities estimated to be needed in 2014 for transfer of solid waste by rail to the solid waste landfills owned and operated by the district.
- 38 (7) The number of materials recycling facilities estimated for 39 2014.
 - (8) The location of sites being evaluated for 2014 for an MRF.

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1 (9) The status of permits for MRFs needed to meet tonnage capacities for 2014.

(10) The number of rail transfer facilities needed for 2014.

- (11) The location of sites being evaluated for 2014 for rail transfer facilities.
- (12) The status of permits for sites being evaluated for 2014 for rail transfer facilities.
- (13) The status, as of July 1, 2004, of an updated planning document on the entire waste by rail project, from pickup to desert disposal.
- SEC. 2. Due to the unique circumstances concerning the concentration of solid waste facilities in an area of the County of Los Angeles, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution. Therefore, this act is necessarily applicable only to Los Angeles County.
- SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.